

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6402

BILL NUMBER: HB 1448

NOTE PREPARED: Jan 16, 2011

BILL AMENDED:

SUBJECT: Lifetime Senior Hunting License.

FIRST AUTHOR: Rep. Cheatham

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 X FEDERAL

IMPACT: State

Summary of Legislation: This bill establishes a resident senior "hunt for life" license for individuals who are at least 65 years of age.

Effective Date: July 1, 2011.

Explanation of State Expenditures: The Department of Natural Resources (DNR) will experience an increase in administrative expenses associated with re-establishing the lifetime licenses; however, the fee established for the license could be used to pay for any additional administrative expense.

Explanation of State Revenues: The bill establishes a \$17 fee for a "hunt for life" license and is estimated to result in a decrease in state license revenue of \$117,877 the second year and each year thereafter, and a decrease in federal revenue of \$216,314 in the third year and each year thereafter. Total annual revenue loss (both state and federal) is estimated at \$117,877 in the second year and \$334,191 each year thereafter, assuming a constant number of those 65 and older who apply for a license.

Revenue from the sale of hunting licenses goes into the dedicated Fish and Wildlife Fund that is used to pay the operating expenses of the DNR Divisions of Law Enforcement and Fish and Wildlife.

Background. Currently, hunters aged 65 and over are paying a \$17 fee for an annual small game license. Retailers who sell licenses retain \$.75 per license. The DNR receives \$16.25. In 2010 the division sold 8,060 small game licenses to hunters age 65 to 75, which produced \$130,975 in fee revenue. Using these figures and assuming an equal distribution, on average 800 applicants fell into each of the 10 age brackets.

In the second year of purchase, 90% of those hunters aged 65 to 75 would no longer be required to purchase a license. Ninety percent of the total 8,060 equals 7,254 individuals who would no longer be required to purchase a license, which would reduce revenue by \$117,877 per year.

In order to receive federal reimbursement, the DNR must charge a fee that is commensurate with the normal cost for that privilege. Therefore, in addition to a potential loss in state license revenue, if the DNR sets the fee at the proposed minimum of \$17, the DNR would also lose federal reimbursement for each “hunt for life” license sold because of the inability to certify those hunters beyond the first year the license was sold.

DNR received \$29.82 for each certified hunter in 2010 in sport wildlife restoration monies. Given this figure, the state could lose an additional \$216,314 ($\$29.82 \times 7,254$ certified hunters) in federal dollars in 2011.

Total state and federal revenue loss would equal an estimated \$334,191.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DNR.

Local Agencies Affected:

Information Sources: DNR.

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